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#### BEFORE THE

## Federal Communications Commiss

rat Communications Commission Office of the Secretary

WASHINGTON, D.C.

In re Application of	)
FOUR JACKS BROADCASTING, INC.	) FCC File NO. BPCT-910903KE
For a Construction Permit for a New Television Station on Channel 2 in Baltimore, Maryland	REC'D MASS MED BUR
To: The Chief, Mass Media Bureau	MAY 1 5 1992

# OPPOSITION TO PETITION TO DISCUSS SERVICES

Four Jacks Broadcasting, Inc. ("Four Jacks"), by its attorneys, hereby submits its Opposition to the "Petition to Dismiss" filed on May 1, 1992 by Scripps Howard Broadcasting , Company ("Scripps Howard") in the above-referenced proceeding. As demonstrated herein, the Scripps Howard petition is extremely untimely, misstates the governing facts, seriously misconstrues Commission case precedent and lacks any merit. Scripps Howard argues that the Four Jacks application contravenes the Commission's inconsistent application rule. However, under any test, the Four Jacks application is not an inconsistent application. Surely, Scripps Howard's counsel read the cases cited in its pleading and therefore must know that the petition to dismiss completely misstates the law in this area. Howard's apparent reason for filing the petition was to delay designation for hearing, so if any party is achieving a "private gain", as alleged in the Scripps Howard petition, it is Scripps

Howard. For these reasons, the Petition to Dismiss should promptly be dismissed.

- I. The Scripps Howard Pleading Is Extremely Untimely And There Is No Showing Of Good Cause For The Untimeliness
- 1. Four Jacks filed its application for Channel 2 in Baltimore, Maryland on September 3, 1991, and the Commission released a Public Notice establishing January 22, 1992 as the date for the filing of any petitions to deny the Four Jacks application. Although Scripps Howard filed a petition to deny on January 22, 1992, it was not until May 1, 1992 -- three months after the petition to deny date and eight months after the filing date -- that Scripps Howard first advanced the argument contained in its Petition to Dismiss. The gist of Scripps Howard's argument is that the Four Jacks application should not have been accepted for filing, yet Scripps Howard provides no justification whatsoever for its failure to raise this argument in a timely fashion at an earlier date if it felt the argument was important.
- 2. Moreover, Scripps Howard's suggestion that its pleading is timely under Section 73.3587 of the Commission's rules is without merit. Section 73.3587 sets forth procedures governing Informal Objections. The Scripps Howard pleading is not an Informal Objection. The Informal Objection rule is designed for the benefit of those parties who do not have standing to file a petition to deny. Here, Scripps Howard did file a petition to

Section 73.3587 permits an Opposition but does not permit any Reply pleading. Therefore, upon the filing of this Opposition, the pleading cycle is complete.

deny and, certainly, the arguments advanced now should have been raised no later than the deadline for filing the petition to deny. Section 73.3587 is not designed to enable parties to delay proceedings by filing meritless pleadings many months late.

### II. Scripps Howard Has Erroneously Interpreted Section 73.3518 of the Commission's Rules

- 3. Scripps Howard contends that the acceptance of the Four Jacks application was improper because it purportedly violated Section 73.3518 of the Commission's rules at the time it was filed. It is Scripps Howard's position that the Four Jacks application, filed September 3, 1991, was inconsistent with the license renewal application for Station WBFF(TV), Channel 45, Baltimore, Maryland which was filed on May 31, 1991 and granted on September 26, 1991. Thus, for a very brief period of time (23 days) the WBFF license renewal application was pending after the Four Jacks application was filed.
  - 4. Section 73.3518 states:

While an application is pending and undecided, no subsequent inconsistent or conflicting application may be filed by or on behalf of or for the benefit of the same applicant, successor or assignee.

At the outset, it should be noted that Four Jacks is not the same entity as the license renewal applicant for Station WBFF(TV).

WBFF(TV) is licensed to Chesapeake Television Licensee, Inc. It is also noteworthy that there are not two applications presently pending -- only the Four Jacks application is pending.

5. Even if Four Jacks were the "same applicant," as construed by Section 73.3518, it is clear that that rule does not bar the licensee of a station from applying for another frequency in the community so long as the applicant proposes to divest the station it already owns. Attached hereto as Attachment A is a Memorandum dated January 13, 1984 prepared by a supervisory attorney in the FM Branch which states the following principle with respect to the Commission's contingent application policy:

. . . a commitment by an applicant to dispose of other station(s) -- not other pending CP applications -- does not constitute a violation of the rule, and can be dealt with by an appropriate divestiture condition in the HDO.

6. Scripps Howard simply does not understand the policies set forth in the very cases it cites. The principle established in the January 13, 1984 Commission memorandum has been upheld in a long line of cases. It is very clear that an applicant may apply for a new facility and propose to divest its interest in an existing facility. Since renewal applications can come due at any time, it would make no sense to refuse to accept a divestiture proposal simply because a license renewal application was pending. The license renewal application covers the very station the applicant is proposing to divest. Significantly, Scripps Howard cites no cases supporting its anomalous argument.

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Corp., 2 FCC Rcd 3493 (1987). In <u>Valley</u>, the Commission stated that while the multiple ownership rules expressly prohibited an individual from owning interests in a new FM station and a new VHF television station, there was no violation of Section 73.3518 because the applicant had committed to divest his interest in the television applicant upon grant of the FM application. In <u>Comark</u> as well, the Commission held that a divesture proposal eliminated a multiple ownership problem. Both the <u>Valley</u> and <u>Comark</u> cases observed that any construction permit issued would be appropriately conditioned.

8. There was no divestiture commitment in Big Wyoming, which, in any event, involved a factual scenario dissimilar to that presented here. In Big Wyoming, Mr. and Mrs. Robert Campbell owned 90% of the stock of Big Wyoming, an applicant for a new FM station in Rock Springs, Wyoming, which was mutually exclusive with the license renewal application of KSIT(FM), Rock Springs, Wyoming. The Campbells also owned 100% of Radio West, Inc., an applicant for a new FM station in Riverton, Wyoming. The predicted 1.0 mV/m contours of the two proposals violated the multiple ownership rules when the applications were filed and the Commission refused to accept a subsequent curative engineering amendment designed to eliminate the duopoly overlap. Here, however, the Four Jacks application contained a commitment by Four Jacks' principals to divest their interests in an existing station, not another application. Big Wyoming did not involve an applicant who proposed to divest its existing station which happened to have a license renewal application pending. The Four Jacks application can thus be processed pursuant to <u>Valley</u> and <u>Comark</u> and the issues presented in <u>Big Wyoming</u> simply do not come into play.

9. Indeed, there are numerous cases in which applicants have proposed to divest existing facilities in order to comply with the multiple ownership rules and/or Section 73.3518.

Moreover, the Commission routinely grants such applications with appropriate divestiture commitments.

power on its existing frequency. The Commission's decision stated as follows:

Although the Commission has held that prosecuting an application for renewal of license on one channel is not inconsistent with prosecuting an application for a construction permit to shift to another channel, Wabash Valley Broadcasting Corp. (WTHI-TV), 18 RR 562, 568, there is no question but that Atlantic's prosecution of its application to shift to WOL's frequency and make other changes is inconsistent with the prosecution of its application in hearing to increase power on its present frequency.

Atlantic thus involved two applications to upgrade one facility in mutually inconsistent ways. In contrast, this case does not involve two applications to upgrade Channel 45. Instead, it involves an application for a new facility on Channel 2 by Four Jacks, and Four Jacks' principals have proposed to divest their interests in Channel 45. It is immaterial that the license renewal application for Channel 45 was pending for a very short period of time after the Four Jacks application was filed. Scripps Howard's entire argument is premised on that portion of the Atlantic case in which the Commission addressed the issue of two applications to upgrade one facility and said that an applicant may not simultaneously apply to increase power on its present frequency and also apply for a change in the station's frequency. But those are different facts than the facts presented here, and Scripps Howard has ignored the Commission's clear holding in Atlantic that an application for renewal of license on one channel is not inconsistent with prosecuting an application to shift to another channel.

Broadcasting Co., supra. In that case the Commission held that an application by an existing station for renewal of its license for operation on Channel 10 was not inconsistent or conflicting with an application by the same licensee for operation on Channel 2 in the same community. The Commission stated that the inconsistent application rule "is applicable only to two or more applications for new or additional facilities . . ." 18 RR2d 562, 568.2/

#### III. Scripps Howard's Suggestion That The Four Jacks Application Contravenes Sound Public Policy Is Without Merit

13. Scripps Howard's petition notes that "[t]he Commission does not preclude existing licensees from pursuing efforts to upgrade their facilities by operating on a superior channel" (Petition, p. 5) and suggests that Station WBFF(TV) should seek a better channel by way of an amendment. This argument makes no sense at all. As noted earlier, Station WBFF(TV) is licensed to Chesapeake Television Licensee, Inc. which is not the same entity

WSTV, Inc., 43 FCC 1254 (1953), cited by Scripps Howard, is 2/ inapposite since the case involved two applications filed by Storer Broadcasting Company for new television stations. Chapman Radio and Television Co., 27 FCC2d 23, 20 RR2d 1144 (Rev. Bd. 1971) is also inapposite. In Chapman the licensee of a television station in Birmingham, Alabama was seeking to modify its existing facilities while simultaneously seeking a construction permit for a television station to serve Birmingham on a different channel. Southern Keswick, Inc., 24 RR2d 173 (1972) is not remotely similar. There the Commission held that the Keswick application for a change of frequency of Station WGNB from Channel 268 to Channel 203 was inconsistent with an application to assign WGNB because grant of the modification application would operate to vacate Channel 268.

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recognized as a ploy on the part of Scripps Howard to delay designation for hearing and should be promptly dismissed.

Respectfully submitted

FOUR JACKS BROADCASTING, INC.

Martin R. Leader

Kathryn R. Schmeltzer

John K. Hane

Its Attorneys

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Dated: May 14, 1992

### ATTACHMENT A

## memorandum

DATE: January 13, 1984

REPLY TO ATTNOF: Gordon Malick, Supervisory Attorney

SUBJECT: Contingent Applications - O'mership Rule Violations

To: All FM Branch Attorneys, Specialists and Ananlysts

Attached hereto is a copy of the Division Chief's August 5, 1981 letter dismissing as inadvertently accepted for filing a mutually exclusive commercial FM application for construction permit for a new station at Grundy Center, Iowa, that would have violated Section 73.240(a)(2) - the regional concentration rule - because the 1 mv/m overlapped either an existing FM station or a pending FM CP application located within 100 miles and having common ownership.

This letter states the Commission's contingent application policy that we do not accept for filing and/or process any application predicated on the expectation of the denial of another application. This policy is equally applicable to violations of other aspects of the ownership rules.

Therefore, where applicants have interests in other earlier filed pending applications, we need to be alert to potential violations of the contingent application rule and return or dismiss the errant application when appropriate. In this regard, a commitment by an applicant to dispose of other station(s) - not other pending CP applications - does not constitute a violation of the rule, and can be dealt with by an appropriate divestiture condition in the HDO.

Based upon the foregoing, please disregard the appendix to M.F. Welch et al., MM 5977, released August 23, 1983 (kermit, Texas).

#### CERTIFICATE OF SERVICE

I, Sybil Briggs, hereby certify that I have this 14th day of May, 1992, mailed by first class United States mail, postage prepaid, copies of the foregoing "OPPOSITION TO PETITION TO DISMISS" to the following:

\*Roy J. Stewart, Esq. Chief, Mass Media Bureau Federal Communications Commission 1919 M St., N.W. Room 314

